

Message of the Week

October 2-8, 2002

Presented by Rep. Mike Pence (R-IN)

“The Republican plan to help the economy is to enforce fiscal discipline, bring fairness to the tax code, and give Americans greater freedom to create wealth.”

- The Democrat Leadership is arguing that the Democrats’ economic plan caused the prosperity of the 1990’s and that the current Republican efforts will do nothing to help the economy.
- Government does not create wealth. Wealth is created by the hard work of Americans, who know best how to allocate and invest that wealth in their families and communities.
- It is basic economics that tax increases slow economic growth. The economy improved in the 1990’s despite the tax-raising Democrat plan not because of the Democrat plan. More tax *cuts* will mean more economic freedom and more economic growth.
- The Democrat Leadership is also claiming that poverty went down because of the Democrats’ economic plan. But it was when Republicans pushed and passed the welfare reform bill in 1996, despite aggressive opposition from key Democrats, that low-income Americans began to experience the most gains by finding jobs and moving *off* the government payroll.
- Increased government dependency, tax increases, and runaway government spending are what hinder economic growth and increase the poverty rate.
- Republicans will continue to push for:
 - budget discipline in Washington to remove the drag on the financial markets;
 - making the tax cuts permanent for individuals, families, and businesses to spur investment; and
 - pension reform to encourage investment and foster employee-friendly businesses.
- The best thing for the economy is American innovation—not government intervention.